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# Connections

## SBA Welcomes Hector Barreto, Jr.

By unanimous vote, the U.S. Senate confirmed Hector V. Barreto, Jr. as the 21<sup>st</sup> Administrator of the U.S. Small Business Administration on July 25, 2001. President Bush nominated him for the post.

As SBA Administrator, Mr. Barreto directs the delivery of financial and business development programs



*Hector V. Barreto, Jr.*

to America's entrepreneurs. With a portfolio of direct and guaranteed business loans and disaster loans worth more than \$45 billion, SBA is the nation's largest single financial backer of small business.

Mr. Barreto has a long history with the small business community. As a young man, he helped his father manage a family restaurant, an export/import business and construction company. His father, Hector Barreto Sr., helped found the U.S. Hispanic Chamber of Commerce.

After receiving his B.S.B.A. degree in Management and Spanish from Rockhurst University in Kansas City, Missouri, he worked for the

Miller Brewing Company as the South Texas Area Manager. In 1986, he moved to California and founded Barreto Insurance and Financial Services, responding to the need for financial services for Southern California's rapidly growing Latino population. He later launched an additional business as a securities broker/dealer specializing in retirement plans.

Mr. Barreto is past chairman of the board for the Latin Business Association (LBA) in Los Angeles. During his term, he increased membership by 50 percent, doubled revenues and created the Latino Business Expo, an event that focused on procurement opportunities, corporate exhibitions and business education. He also founded the Latin Business Association Institute which provides technical assistance, education and development opportunities to small businesses.

As a board member of the Minority Business Opportunity Committee in Los Angeles, he worked closely with the Los Angeles Chamber of Commerce and the Los Angeles Economic Development Corporation to improve business opportunities for numerous minority groups.

Mr. Barreto has received special recognition from the U.S. Congress, the California State Senate and Assembly, the County of Los Angeles, YMCA and American Red Cross. Hispanic Business Magazine recognized him as one of America's "100 Most Influential Hispanics."

Mr. Barreto is a native of Kansas City, Missouri. He and his wife Robin have two daughters.



## 2001 Latino Expo Draws 6,000 Attendees

The third annual Latino Expo & Job Fair, held on July 9<sup>th</sup> at the Indiana Convention Center in downtown Indianapolis, welcomed the largest crowd to date since the event's 1999 inception. Throughout the day, exhibitors provided the opportunity for approximately 6,000 members of the Hispanic community to find employment comprised of entry-level positions to management and professional levels. Additionally, various seminars were conducted for individuals interested in starting a small business or expanding a current business.

Indianapolis Mayor Bart Peterson joined the event's founder, Ms. Maria Tapia, president, Hispanic Hoosiers, Inc., to officially open the expo. A luncheon was held with Mr. Luis Dominguez, president of the Indianapolis Hispanic Chamber of Commerce, serving as Master of Ceremonies and featuring Mr. Steve Alonzo, president & CEO of Cresleigh Bancorp as the keynote speaker.



*Over 6,000 individuals attended this years Latino Expo & Job Fair*

### ***Did you know...***

According to an SBA report on e-commerce, more than 40 percent of America's 25 million small businesses had Internet access in 1998.

## SBA Centers Offer New Software to Help Small Businesses

In early July, the SBA announced that its small business clients will have access to a series of new software tools at locations nationwide to help them start or grow their businesses, thanks to a donation by the Microsoft Corporation.

Beginning in August, the SBA's One-Stop Capital Shops (OSCSs), Business Information Centers (BICs), and Tribal Business Information Centers (TBICs) received \$700,000 worth of cutting-edge business software applications from Microsoft.

"This donation significantly expands the resources we have available for our BICs, OSCSs, and TBICs and we are delighted to be working with Microsoft to ensure that small businesses have the opportunity to use the latest in technology," said Gail McGrath, acting associate deputy administrator for Entrepreneurial Development. "The SBA is focused on providing small businesses with the resources, training and information they need to be successful."

The SBA's counseling and technical assistance centers provide free on-site counseling, training courses and workshops to small business clients in areas that include business planning, marketing and sales, product expansion and exporting. The centers have resources that address a broad variety of business start-up and development needs. They also offer numerous research materials, including business and industry publications, CD-ROMs, databases, and the latest in software and hardware to assist small business owners. The new software packages are the latest additions to the list of tools that the SBA makes available to small business clients.

The Microsoft donation to the SBA includes Office XP, Publisher version 2002, FrontPage version 2002, Windows 2000 Professional, Windows 2000 Server and Small Business Server 2000. To find out more about the availability of the software, contact your local SBA office listed at [www.sba.gov/services](http://www.sba.gov/services).

## Nominations Sought for Small Business Awards

Once again, the time draws near to submit nominations for the U.S. Small Business Administration's annual Small Business Awards.

Since 1963, the President of the United States has designated one week as National Small Business Week. During this week, the country's small business community is recognized for its significant contributions to the American economy and society. Small Business Week 2002 will take place in June.

The Small Business Person of the Year winners from all 50 states, the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands are invited to Washington, DC during Small Business Week for a series of special events in their honor. The winners from Indiana are recognized at the SBA Winner's Circle Awards Dinner, held in early June in Indianapolis.

With the number of outstanding, quality small businesses in the State of Indiana, we are confident Indiana could nominate the National Small Business Person of the Year. But to achieve this great honor, the individual must first be nominated.

Please contact the SBA Indiana District Office to receive your nomination guideline brochure. Packages must reach the Indiana District Office by Friday, November 9, 2001.

If you have any questions, please contact SBA at (317) 226-7272.

## **SBA DISASTER LOAN PROGRAMS**

In the wake of hurricanes, floods, earthquakes, wildfires, tornados and other physical disasters, the U.S. Small Business Administration (SBA) plays a major role. SBA's disaster loans are the primary form of Federal assistance for nonfarm, private sector disaster losses. For this reason, the disaster loan program is the only form of SBA assistance not limited to small businesses. Disaster loans from SBA help homeowners, renters, businesses of all sizes and nonprofit organizations fund rebuilding. SBA's disaster loans are a critical source of economic stimulation in disaster ravaged communities, helping to spur employment and stabilize tax bases.

By providing disaster assistance in the form of loans that are repaid to the Treasury, the SBA disaster loan program helps reduce Federal disaster costs compared to other forms of assistance, such as grants. When disaster victims need to borrow to repair uninsured damages, the low interest rates and long terms available from SBA make recovery affordable. Because SBA tailors the repayment of each disaster loan to each borrower's financial capability, unnecessary interest subsidies paid by the taxpayers are avoided. Moreover, providing disaster assistance in the form of loans rather than grants avoids creating an incentive for property owners to underinsure against risk. Disaster loans require borrowers to maintain appropriate hazard and flood insurance coverage, thereby reducing the need for future disaster assistance.

The need for SBA disaster loans is as unpredictable as the weather. In the aftermath of the Northridge earthquake, SBA approved more than 125,000 loans for more than \$4.1 billion in FY 1994. In 2000, SBA approved 28,218 loans for \$1.028 billion. Since the inception of the program in 1953, SBA has

approved over 1.5 million disaster loans for over \$28.5 billion.

The SBA is authorized by the Small Business Act to make two types of disaster loans: Physical disaster loans are a primary source of funding for permanent rebuilding and replacement of uninsured disaster damages to privately-owned real and/or personal property. SBA's physical disaster loans are available to homeowners, renters, nonfarm businesses of all sizes and nonprofit organizations. Economic injury disaster loans provide necessary working capital until normal operations resume after a physical disaster. The law restricts economic injury disaster loans to small businesses only.

The disaster program is SBA's largest direct loan program, and the only SBA program for entities other than small businesses. By law, neither governmental units nor agricultural enterprises are eligible; agricultural producers may seek disaster assistance from specialized programs at the U.S. Department of Agriculture.

Disaster victims must repay SBA disaster loans. SBA can only approve loans to applicants with a reasonable ability to repay the loan and other obligations from earnings. The terms of each loan are established in accordance with each borrower's ability to repay. The law gives SBA several powerful tools to make disaster loans affordable: low interest rates (around 4%), long terms (up to 30 years), and refinancing of prior debts (in some cases). As required by law, the interest rate for each loan is based on SBA's determination of whether each applicant does or does not have credit available elsewhere (the ability to borrow or use their own resources to overcome the disaster). Generally, over 90% of SBA's disaster loans are to borrowers without credit available elsewhere and have an interest rate of around 4%.

SBA delivers disaster loans through four specialized Disaster

Area Offices located in Niagara Falls, NY; Atlanta, GA; Ft. Worth, TX; and Sacramento, CA.

### **INDIANA Open Declarations SBA DECLARATION #3356/9M24 SEVERE STORMS AND FLOODING**

Homeowners, renters, landlords, and businesses located in Dearborn, Franklin, and Union Counties may apply for physical damage disaster loans. Small businesses may also apply for economic injury disaster loan assistance. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. These counties are eligible because they are contiguous to one or more primary counties in the State of Ohio. The physical damage disaster application deadline in September 27, 2001; the economic injury disaster loan application deadline is April 29, 2002.

### **SBA DECLARATION #9L56 CIVIL DISTURBANCE**

Small businesses located in Dearborn and Franklin Counties may apply for economic injury disaster loan assistance. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. These counties are eligible because they are contiguous to one or more primary counties in the State of Ohio. The economic injury disaster loan application deadline is February 1, 2002.

### **SBA DECLARATION #9L16 EXTREME RAIN, HIGH WINDS, AND HAIL**

Small businesses located in the Counties of Allen, DeKalb, and Steuben may apply for economic injury disaster loan assistance. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. Physical damages cannot be covered by these loans. These counties are eligible because they are contiguous to one or more primary counties in the State of Ohio. Only small, non-farm agriculture dependent businesses and small agricultural cooperatives are eligible to apply for assistance. The economic injury disaster loan application deadline is November 9, 2001.

For further information about these disaster declarations, please call 1-800-359-2227.



# Final Views

## Freebie for Small Business Owners

Entrepreneurs can get government contracting advice in "Small Business Success," a free 73-page booklet from the U.S. Small Business Administration and Small Business Depot. It also covers topics including marketing, strategic planning and e-business. Call 1-800 U ASK SBA.

## SBDC Presents 2001 Women's Business Conference

The Indiana Small Business Development Center (ISBDC), in conjunction with several local partners, will be presenting their 2<sup>nd</sup> Annual Women's Business Conference, "Journey to Success" on September 7, 2001, at the Westin Hotel in downtown Indianapolis.

The day-long conference, including a luncheon, will focus on the needs of women in the workplace and the unique demands and responsibilities

placed on them both in the corporate environment and their personal lives.

Conference information can be obtained on the web at [www.indianapoliswoman.com](http://www.indianapoliswoman.com).

Registration information is available by contacting the ISBDC at 264-2820.

## New Resource Guides Available

The 2001 edition of the Indiana Small Business Resource Guide has arrived.

The guide addresses how to start a small business and how to raise money for a small business. It also



provides an overview of SBA programs and services. The guide is free and available by contacting the

Indiana District Office at (317) 226-7272.

# In the Zone

Terri Denison, former Indiana Deputy District Director who was selected to participate in the SBA's District Director Candidate Program, recently completed her assignment as Acting Director of the SBA Wisconsin District Office. Terri has reported to Washington, DC where she will complete rotational assignments in areas such as Human Resources, EEOC, Field Operations, and others.

An official welcome goes to Carol Wilkerson, the new Regional Communications Director for SBA Region V. Carol joined SBA in January after working for the Peace Corps. She brings with her a vast array of public communication knowledge and resources. Welcome!

Condolences go to the friends and family of Indiana District Office Business Development Specialist John Flanagan who passed away on August 12<sup>th</sup>.



## U.S. Small Business Administration and Partners Services Delivery Network

### Regions

- Region 1
- Region 2
- Region 3
- Region 4
- Region 5
- Region 6
- Region 7
- Region 8
- Region 9
- Region 10

- ★ Regional/District Office
- ☆ District Office
- ★ Branch or Post-of-Duty Office
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